



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF MENTAL RETARDATION SERVICES
ANDREW JACKSON BUILDING, 15TH FLOOR
500 DEADERICK STREET
NASHVILLE, TN 37243

MEMORANDUM

DATE: August 18, 2005
TO: Providers of Residential and Day Services
FROM: Stephen H. Norris
Deputy Commissioner *[Signature]*
SUBJECT: Health Oversight Requirements

The purpose of this memorandum is to provide clarification to providers of residential and day services regarding the health care oversight requirements addressed in Chapter 11 of the Provider Manual.

Residential Habilitation: The reimbursement rate for this residential service includes a health care oversight process by a registered nurse for levels 4 and 6. The rate does not include the provision of direct skilled nursing services, but it does include an ongoing systematic monitoring and review process to assure that the service recipient's health care needs are being addressed and would include such things as oversight of the Medication Administration Record and medication errors and follow-up of recommended services. For levels 1, 2, and 3, the provider is expected to have a process for health care oversight by program staff to assure that the service recipient's health care needs are being addressed.

Supported Living: The reimbursement rate for this residential service includes a health care oversight process by a registered nurse for levels 4 and 6. The rate does not include the provision of direct skilled nursing services, but it does include an ongoing systematic monitoring and review process to assure that the service recipient's health care needs are being addressed and would include such things as oversight of the Medication Administration Record and medication errors and follow-up of recommended services. For levels 1, 2, and 3, the provider is expected to have a process for health care oversight by program staff to assure that the service recipient's health care needs are being addressed.

Family Model Residential Support: The reimbursement rate for this residential service includes a process for health care oversight by program staff to assure that the service recipient's health care needs are being addressed, but does not require an oversight process performed by a registered nurse.

Medical Residential Services (Also referred to as "Level 5"): The reimbursement rate for this residential service includes direct skilled nursing services as well as a health care oversight process by a registered nurse for all levels. All rates include an ongoing systematic monitoring and review process to assure that the service recipient's health care needs are being addressed and would include such things as oversight of the Medication Administration Record and medication errors and follow-up of recommended services.

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Day Services: The reimbursement rate for facility-based Day Services or community-based Day Services includes a health care oversight process by a registered nurse for level 6. The rate does not include the provision of direct skilled nursing services, but it does include an ongoing systematic monitoring and review process to assure that the service recipient's health care needs are being addressed and would include such things as oversight of the Medication Administration Record and medication errors and follow-up of recommended services. For levels 1, 2, 3, and 4, the provider is expected to have a process for health care oversight by program staff to assure that the service recipient's health care needs are being addressed.

Nursing Services: Nursing assessments and nursing supervision or oversight are not separate billable services through the Home and Community Based Services (HCBS) waiver programs, regardless of whether there is a physician's order for such. Only direct nursing services as described in the definition for Nursing Services may be billed.

SHN:wlm

cc: Gail Thompson, R.N., TennCare